

HOUSE BILL NO. 60

INTRODUCED BY A. OLSON

BY REQUEST OF THE GOVERNOR

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE MONTANA TEACHER SCHOLARSHIP PROGRAM FOR MONTANA RESIDENTS WHO ATTEND AN IN-STATE PUBLIC POSTSECONDARY EDUCATIONAL INSTITUTION; ESTABLISHING ELIGIBILITY CRITERIA FOR THE SCHOLARSHIP PROGRAM; AUTHORIZING THE BOARD OF REGENTS TO ADOPT PROCEDURES TO IMPLEMENT THE SCHOLARSHIP PROGRAM; ESTABLISHING THE MONTANA TEACHER SCHOLARSHIP FUND; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Teacher scholarship program. Subject to a line item appropriation, there is created the Montana teacher scholarship program to reward eligible Montana residents who merit recognition and who enroll in a public postsecondary institution in Montana to pursue teaching certification.

NEW SECTION. Section 2. Definitions. As used in [sections 1 through 6], the following definitions apply:

(1) "Board of regents" means the board of regents of higher education created by Article X, section 9, subsection (2), of the Montana constitution and 2-15-1505.

(2) "Expected family contribution" means the amount calculated by the United States department of education from the results of the student's free application for federal student aid that is used to determine the monetary support that the student's family is expected to contribute towards the student's educational costs.

(3) "Postsecondary institution" means a unit of the Montana university system identified in 20-25-201 or an accredited tribal college located in the state of Montana.

(4) "Scholarship" means the expenses of tuition, books and supplies, or room and board or mandatory or class fees, rounded up to the nearest dollar, that are included in the postsecondary institutions financial aid cost of attendance and not covered by any federal or state educational grants, fee

1 waivers, or similar grants, such as the Job Training Partnership Act.

2 (5) "Title IV" refers to Title IV of the Higher Education Act of 1965, as amended.

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4 NEW SECTION. **Section 3. Administration of scholarship program.** (1) The board of regents shall
5 administer the Montana teacher scholarship program and shall adopt procedures to implement the
6 requirements of [sections 1 through 6], including but not limited to:

7 (a) procedures for obtaining applicants who are determined by the postsecondary institution to
8 be at least in their junior year of postsecondary education, who have been accepted to a recognized
9 teacher preparation program, and who are academically eligible to receive a scholarship;

10 (b) procedures for entering into cooperative agreements with eligible Montana tribal colleges; and

11 (c) procedures for annual disbursement of scholarships, for developing a formula for proration of
12 scholarships, and for the possible refund of money from the Montana teacher scholarship fund established
13 in [section 5] to postsecondary institutions to pay for scholarships awarded to academically eligible
14 students.

15 (2) The board of regents shall issue payments from the Montana teacher scholarship fund
16 established in [section 5] to provide scholarships for those students who meet the eligibility requirements
17 prescribed in [section 4].

18 (3) Before the first day of class each semester or quarter, the board of regents shall transmit
19 payment for each scholarship to the business officer or financial aid officer of the postsecondary
20 institution.

21 (4) Within 30 days after the end of the add/drop period each semester or quarter, the
22 postsecondary institution shall certify to the board of regents the eligibility status of each student who
23 receives a scholarship. After the end of the add/drop period, a postsecondary institution is not required
24 to reevaluate or revise a student's eligibility status.

25 (5) Each postsecondary institution that receives a scholarship payment shall prepare and submit
26 to the board of regents by May 30 of each year a report that includes an audit of the postsecondary
27 institution's administration of the scholarships and a complete accounting of scholarship funds.

28 (6) If a scholarship recipient transfers from one eligible postsecondary institution to another and
29 continues to meet eligibility requirements, the scholarship must be transferred with the student.

30 (7) A scholarship is valid for a maximum of four semesters or six quarters.

(8) A scholarship may be used by the student to offset the student's expected family contribution.

NEW SECTION. Section 4. Eligibility requirements -- basic residency and citizenship requirements

-- eligibility for student participation. (1) To be eligible to receive a scholarship, the student:

(a) must be classified as a Montana resident for at least 12 consecutive months and meet the board of regents' policy for in-state tuition at the time of award;

(b) must be a United States citizen or permanent resident alien who meets the definition of an eligible noncitizen under federal Title IV requirements;

(c) must be accepted into a recognized teacher education program leading to teaching certification and endorsement in a critical teacher shortage field as identified on the list maintained by the board of public education pursuant to [section 6]; and

(d) shall sign a binding letter of commitment indicating the student's intent to teach in the state of Montana after completion of the teacher education program.

(2) To be eligible to maintain the scholarship, the recipient shall maintain satisfactory academic progress at the postsecondary institution at which the student is enrolled. If a student fails to maintain satisfactory academic progress, the scholarship is terminated.

(3) A student is ineligible to receive a scholarship if the student:

(a) is a male and failed to meet the federal Title IV selective service registration requirements;

(b) is in default on a federal Title IV or state of Montana educational loan; or

(c) owes a refund on a federal Title IV or state of Montana student financial aid grant.

NEW SECTION. Section 5. Teacher scholarship fund -- proration of scholarship. (1) The board of

regents shall maintain a Montana teacher scholarship fund to provide for the scholarship benefit.

(2) The following appropriations from the state legislature must be deposited into the scholarship fund:

(a) appropriations to the board of regents to pay for scholarships awarded pursuant to [sections 1 through 4]; and

(b) appropriations to the board of regents to administer the Montana teacher scholarship program.

(3) Money on deposit in the fund may not revert to the general fund at the close of any fiscal year.

(4) The maximum scholarship award for each student may not exceed \$1,500 each year.

(5) If funds appropriated are not adequate to provide the maximum allowable scholarship to each eligible student, the scholarships for each student must be prorated using a percentage reduction adopted by the board of regents.

NEW SECTION. Section 6. Critical teacher shortage area list. The board of public education, in consultation with the office of public instruction, shall create and maintain a list of critical teacher shortage certification and endorsement areas for the purposes of [sections 1 through 6]. The board shall consider, at a minimum, the following factors in adding any certification or endorsement area to this list:

(1) demonstrated demand by Montana school districts for additional qualified teachers in the certification or endorsement area;

(2) the number of Montana university or college students currently pursuing the certification or endorsement through an accredited teacher education program; and

(3) the lack of a Montana certification or preparation program for the specific certification or endorsement area.

NEW SECTION. Section 7. Codification instruction. [Sections 1 through 6] are intended to be codified as an integral part of Title 20, chapter 25, and the provisions of Title 20, chapter 25, apply to [sections 1 through 6].

NEW SECTION. Section 8. Effective date -- applicability. [This act] is effective July 1, 2001, and applies to scholarships awarded on or after July 1, 2001.

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